

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



**CORRECTED
FISCAL NOTE**

HB 59 – SB 260

February 26, 2021

SUMMARY OF BILL: Deletes the \$350 cost bond requirement to initiate an administrative civil asset forfeiture hearing for certain claimants.

ESTIMATED FISCAL IMPACT:

On January 13, 2021, a fiscal note was issued for this legislation estimating a fiscal impact as follows:

Decrease State Revenue –

\$203,700/FY21-22 and Subsequent Years/Department of Safety

After further consideration, it was determined the estimated fiscal impact was in error. As a result, the estimated fiscal impact has been corrected as follows:

(CORRECTED)

Decrease State Revenue –

\$384,100/FY21-22 and Subsequent Years/Department of Safety

Corrected Assumptions:

- Pursuant to Tenn. Code Ann. § 40-33-206, unless a secured party meets certain requirements or an indigent person has an approved claim certifying that the person is unable to bear the costs of a proceeding, a claimant in a civil asset forfeiture hearing is required to file a \$350 cost bond or an attorney or corporate surety bond payable to the State of Tennessee.
- The Department of Safety (DOS) returns 100 percent of a cost bond in cases where a judge rules in the claimant's favor, retains 50 percent of cost bond revenue in settled cases, and retains 100 percent of cost bond revenue in cases resulting in a judge ordering in the state's favor.
- Based on DOS Annual Asset Forfeiture Reports, the average net cost bond revenue each year over three years is \$384,063.
- The recurring decrease in state revenue to DOS resulting from removing the \$350 cost bond requirement in civil asset forfeiture hearings is estimated to be \$384,110 in FY21-22 and subsequent fiscal years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, flowing style.

Bojan Savic, Interim Executive Director

/jg